Use of Soiled Currency Notes

1614. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the wads of currency notes reissued by the Public Sector Banks contain a large number of mutilated, partially cut, two pieces, mismatched and very old notes that have completed their life;

(b) whether the practice is not in conformity with the directions issued by RBI; and

(c) the steps proposed to be taken to address the situation and avoid inconvenience to the customers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Reserve Bank of India (RBI) have reported that they have not come across any such complaints in the recent past.

(b) In terms of the Reserve Bank directives and guidelines currency chest branches are required to verify, to process and to sort all the banknotes received by them both directly and from other branches and ensure that (a) banknotes unfit for further circulation are returned to the Reserve Bank and (b) good quality banknotes are reissued.

(c) RBI has created public awareness to insist on issue of clean banknotes by the banks. Banks are also authorised to accept and exchange soiled, mutilated, etc., banknotes Reserve Bank has directed that the currency chest branches are equipped with appropriate machines to expedite the process of verification, processing and sorting of banknotes. While some banks have already installed such machines, banks with more than 100 currency chests have been given time upto November 30, 2005, to install the machines.

NPA of Public Sector Banks

1615. SHRI VIJAY J. DARDA:
SHRI MURLI DEORA:

Will the Minister of FINANCE be pleased to state:

(a) what was the percentage of Non-performing assets of PSU Banks during 2004;